#### PRODUCER PRICE INDEX - MANUFACTURING (PPI-M)

# 3<sup>rd</sup> Quarter 2014

(Base year: 2007 = 100)

#### 1. Introduction

The Producer Price Index of the Manufacturing sector (PPI-M) measures pure price changes in the effective prices received by producers for that part of their output, which is sold on the domestic market (in Mauritian rupees) and, therefore, excludes Export Oriented Enterprises.

This issue of Economic and Social Indicators (ESI) presents a series of monthly and quarterly PPI-M for the period October 2013 to September 2014. The weights for the PPI-M have been derived from the results of the 2007 Census of Economic Activities and the index is computed with the year 2007 as base period (2007 = 100). Indices prior to October 2013 are posted on Statistics Mauritius website in the historical series of manufacturing statistics.

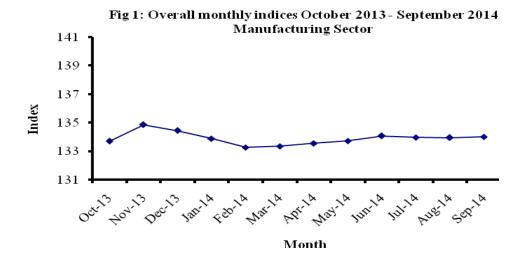
The link to the series is http://statsmauritius.govmu.org/English/StatsbySubj/Pages/Manufacturing.aspx

The methodology used and the weight structure are given in the technical notes at Annex.

# 2. Changes during third quarter 2014

# 2.1 Manufacturing Sector

The Producer Price Index for the manufacturing sector registered a decrease of 0.1 point (-0.1%) from 134.1 in June 2014 to 134.0 in September 2014.



On a monthly basis, the PPI-M lost 0.1 point (-0.1%) in July 2014 and remained unchanged in August and September 2014 (Table 1a).

The main reason for the net decrease of 0.1 point (-0.1%) from June 2014 to July 2014 was lower prices of "Food products and Beverages" (-0.2%).

# 2.2 Manufacture of Food Products and Beverages

The Producer Price Index for "Food products and beverages", which accounts for almost 60% of the weights, registered a net increase of 0.4 point (+0.2%) from 136.4 in June 2014 to 136.8 in September 2014. The increase was mainly attributable to higher prices of "Tea" (+6.5%) and "Grain mill products" (+2.7%).

Fig 2: Monthly indices October 2013 - September 2014 Food Products and Beverages

On a monthly basis, the index for this activity group lost 0.2 point (-0.2%) in July 2014, gained 0.3 point (+0.2%) in August 2014 and 0.3 point (+0.2%) in September 2014 (Table 1b).

# 3. Change in quarterly PPI-M

# 3.1 Manufacturing Sector

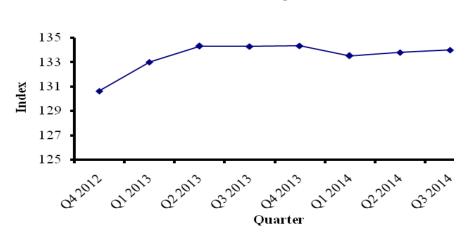
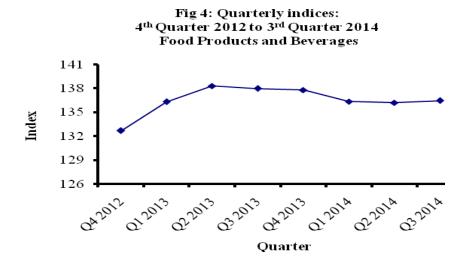


Fig 3: Overall quarterly indices: 4<sup>th</sup> Quarter 2012 to 3<sup>rd</sup> Quarter 2014 Manufacturing Sector

The average quarterly PPI-M, increased by 0.2 point (+0.1%) from 133.8 in the second quarter of 2014 to 134.0 in the third quarter of 2014 (Table 2a).

Compared to the corresponding quarter of 2013, the average PPI-M for the third quarter of 2014 was down by 0.3 point or -0.2% from 134.3 in the third quarter of 2013. This is attributable to drops in the prices of gold in "Other products" (-4.7%), "Basic metals" (-4.2%) and "Foods products and beverages" (-1.1%), partly offset by rises in the prices of ships and floating structures under "Other transport equipment" (+7.9%) and "Wearing apparel" (+5.2%).

# 3.2 Manufacture of Food Products and Beverages



Compared to the previous quarter of 2014, the index for "Food products and beverages" increased by 0.3 point (+0.2%). The index for "Food products" went up by 0.1 point (+0.1%), explained by higher prices of "Tea" (+4.3%) and "Grain mill products" (+1.5%). The index for "Beverages" also went up by 0.6 point (+0.4%), explained by higher prices of "Wines" (+5.1%).

Compared to the third quarter of 2013, the index for "Food products and beverages" registered a decrease of 1.5 points (-1.1%), explained by a decrease of 5.0 points (-3.8%) in the prices of "Food products", partly offset by an increase of 7.9 points (+5.0%) in the prices of "Beverages".

# 4. Yearly Index

The average yearly index for the manufacturing sector as a whole was 134.0 in 2013, i.e. 6.1 points (+4.8%) higher than the figure of 127.9 in 2012. The index for the manufacture of food products and beverages was 137.6 in 2013 compared to 129.7 in 2012, i.e. an increase of 7.9 points (+6.1%).

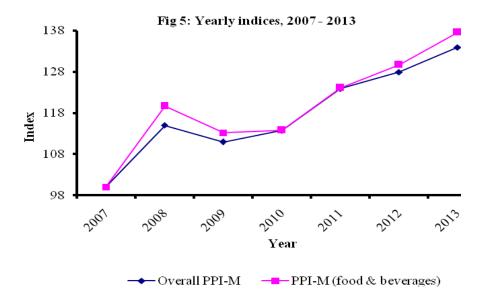


Figure 5 shows that after a sharp increase in 2008, the yearly index for the manufacturing sector as a whole as well as that for the manufacture of food products and beverages declined in 2009. A steady rise is then noted as from 2010.

# **Statistics Mauritius**

Ministry of Finance and Economic Development Port Louis

December 2014

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Table 1(a) - Monthly indices by industry group, October 2013 to September 2014<sup>1</sup> - Manufacturing Sector.

			_	ī						ī					Year 2007			
		ght	13	13	13	41	14	41.	41	1.	14	4	41	41	Percer	ntage chang	ge from	
NSIC	Industry group	Weight	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Jun 14 to Jul 14	Jul 14 to Aug 14	Aug 14 to Sep 14	
10/11	Food products and beverages	608	136.8	138.6	138.0	137.1	136.0	135.9	136.1	136.2	136.4	136.2	136.5	136.8	-0.2	0.2	0.2	
13	Textiles	4	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2	0.0	0.0	0.0	
14	Wearing apparel	16	179.6	179.6	180.4	182.4	184.4	185.4	186.6	187.1	187.7	188.3	188.3	188.6	0.3	0.0	0.1	
15	Leather and related products	2	178.4	178.4	178.4	178.4	178.4	178.4	178.4	178.4	178.4	178.4	178.4	178.4	0.0	0.0	0.0	
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	15	123.8	123.8	123.8	123.8	123.9	123.9	123.9	123.9	123.9	123.9	123.9	123.6	0.0	0.0	-0.3	
18	Printing and reproduction of recorded media	56	138.9	139.1	138.5	136.3	137.9	137.9	139.2	139.3	138.2	137.9	138.3	138.8	-0.2	0.4	0.3	
20	Chemicals and chemical products	107	142.3	143.2	143.2	143.2	143.2	143.7	143.8	144.6	144.6	144.7	144.7	144.7	0.1	0.0	0.0	
22	Rubber and plastic products	59	110.8	110.8	110.6	110.6	111.2	111.2	111.2	111.4	112.0	112.5	112.0	111.8	0.5	-0.4	-0.2	
23	Other non-metallic mineral products	3	91.2	91.2	91.2	91.2	91.2	91.2	91.2	91.2	91.2	91.2	91.2	94.6	0.0	0.0	3.7	
24	Basic metals	35	108.7	108.7	108.7	108.7	106.2	106.2	106.2	106.2	105.8	105.8	105.8	101.1	0.0	0.0	-4.5	
25	Fabricated metal products	38	103.9	103.9	103.9	105.8	106.2	106.6	106.6	106.6	112.1	112.1	106.8	106.8	0.0	-4.8	0.0	
27	Electrical equipment	12	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	0.0	0.0	0.0	
28	Machinery and equipment, n.e.c	12	123.6	123.6	123.6	123.6	123.6	123.6	123.6	123.6	123.6	123.6	123.6	123.6	0.0	0.0	0.0	
29	Motor vehicles, trailers and semi-trailers	3	151.6	151.6	151.6	151.6	151.6	151.6	151.6	150.4	150.4	150.4	151.6	151.6	0.0	0.8	0.0	
30	Other transport equipment	4	81.9	81.9	82.0	82.0	82.0	82.0	81.9	81.9	89.0	88.9	88.8	87.4	-0.1	-0.1	-1.6	
31	Furniture	20	131.0	131.0	131.0	131.0	130.9	130.9	130.9	130.9	130.7	130.7	130.7	133.3	0.0	0.0	2.0	
32	Other products	6	206.4	202.6	196.9	196.9	196.9	202.9	203.7	203.7	203.7	203.7	203.7	203.7	0.0	0.0	0.0	
10-33	Total manufacturing	1,000	133.7	134.9	134.4	133.9	133.3	133.4	133.6	133.7	134.1	134.0	134.0	134.0	-0.1	0.0	0.0	

<sup>&</sup>lt;sup>1</sup> Figures for April to June 2014 have been revised.

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Table 1(b) - Monthly indices by industry group, October 2013 to September 2014<sup>1</sup> - Manufacture of Food Products & Beverages.

		11	3	8	3	4	4	4.	4	4	4	4	4	4	Percer	tage chang	e from
NSIC	Industry group	Weight	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Jun 14 to Jul 14	Jul 14 to Aug 14	Aug 14 to Sep 14
101-108	Food products	442	129.3	129.5	128.3	127.1	125.5	125.5	125.7	125.8	125.8	125.5	125.9	126.2	-0.3	0.3	0.3
1010	Processing and preserving of meat	143	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.4	112.4	111.3	111.6	111.6	-1.0	0.3	0.0
1020	Processing and preserving of fish, crustaceans & molluscs	9	167.0	167.0	169.7	169.7	169.7	169.7	169.7	169.7	169.7	169.7	169.7	169.7	0.0	0.0	0.0
1030	Processing and preserving of fruits and vegetables	14	129.5	130.7	135.8	136.8	136.8	136.8	136.8	136.8	137.3	137.3	137.3	137.3	0.0	0.0	0.0
1040	Vegetable and animal oils and fats	44	132.3	132.3	131.8	131.8	131.8	131.8	131.8	131.8	131.8	131.8	131.8	131.8	0.0	0.0	0.0
1050	Dairy products	22	126.1	127.0	127.2	127.2	127.2	127.2	130.8	130.8	130.8	130.8	130.8	130.8	0.0	0.0	0.0
1061	Grain mill products	75	133.3	133.6	125.3	117.7	114.9	114.5	114.6	115.1	115.2	115.4	116.3	118.3	0.2	0.8	1.8
1071	Bakery products	35	122.4	123.3	124.0	124.6	124.8	124.8	124.8	124.8	124.8	124.8	124.8	124.8	0.0	0.0	0.0
10711/ 10712	Bread/Pastries and cakes	26	125.9	127.1	128.1	128.1	128.4	128.4	128.4	128.4	128.4	128.4	128.4	128.4	0.0	0.0	0.0
10713/ 10730	Biscuits, other dry bakery products, cocoa, chocolate and sugar confectionery	9	112.3	112.3	112.4	114.6	114.6	114.6	114.6	114.6	114.6	114.6	114.6	114.6	0.0	0.0	0.0
1074	Macaroni, noodles, couscous and similar farinaceous products	12	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4	0.0	0.0	0.0
1079	Other food products n.e.c	15	131.8	131.4	131.7	132.0	132.1	132.3	132.2	132.2	132.2	132.2	137.3	137.3	0.0	3.8	0.0
10791	Tea	9	132.7	132.1	132.7	133.2	133.4	133.6	133.6	133.5	133.5	133.5	142.1	142.1	0.0	6.5	0.0
10793/ 10799	Spices, sauces, condiments and other food products n.e.c	6	130.4	130.4	130.4	130.4	130.4	130.4	130.4	130.4	130.4	130.4	130.4	130.4	0.0	0.0	0.0
1080	Animal feed	73	155.4	155.4	155.4	155.4	148.5	148.5	148.5	148.5	148.5	148.5	148.5	148.5	0.0	0.0	0.0
110	Beverages	166	156.9	162.8	163.9	163.9	163.9	163.9	163.9	163.9	164.8	164.8	164.8	164.8	0.0	0.0	0.0
1101	Distilled potable alcoholic beverages	42	165.3	178.6	178.6	178.6	178.6	178.6	178.6	178.6	178.6	178.6	178.6	178.6	0.0	0.0	0.0
1102	Wines	11	176.2	178.2	178.2	178.2	178.2	178.2	178.2	178.2	192.1	192.1	192.1	192.1	0.0	0.0	0.0
1103	Malt liquors and malt including non alcoholic beer	87	151.5	156.2	157.0	157.0	157.0	157.0	157.0	157.0	157.0	157.0	157.0	157.0	0.0	0.0	0.0
1104	Soft drinks, mineral waters and other bottled waters	26	153.0	153.0	156.9	156.9	156.9	156.9	156.9	156.9	156.9	156.9	156.9	156.9	0.0	0.0	0.0
10-11	Total food products & beverages	608	136.8	138.6	138.0	137.1	136.0	135.9	136.1	136.2	136.4	136.2	136.5	136.8	-0.2	0.2	0.2

<sup>&</sup>lt;sup>1</sup> Figures for April to June 2014 have been revised.

Table 1(c) - Monthly indices by industry group, October 2013 to September 2014 - Manufacture of Chemicals and Chemical Products & Rubber and Plastic Products.

		ht	ĸ	[3	ю.	4	4	4	4	4	4	4	4	4.	Percei	ntage chang	ge from	
NSIC	Industry group	Weight	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Jun 14 to Jul 14	Jul 14 to Aug 14	Aug 14 to Sep 14	
20	Chemicals and chemical products	107	142.3	143.2	143.2	143.2	143.2	143.7	143.8	144.6	144.6	144.7	144.7	144.7	0.1	0.0	0.0	
2011	Basic chemicals	22	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	0.0	0.0	0.0	
2022	Paints, varnishes and similar coatings, printing ink and mastics	40	132.4	134.8	134.8	134.8	134.8	134.8	134.8	134.8	134.8	134.8	134.8	134.8	0.0	0.0	0.0	
2023	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	45	153.4	153.4	153.2	153.2	153.2	154.4	154.6	156.6	156.6	156.9	156.9	156.9	0.2	0.0	0.0	7 -
22	Rubber and plastic products	59	110.8	110.8	110.6	110.6	111.2	111.2	111.2	111.4	112.0	112.5	112.0	111.8	0.5	-0.4	-0.2	
2211	Rubber tyres and tubes, retreading and rebuilding of rubber tyres	7	159.9	159.9	159.9	159.9	159.9	159.9	159.9	159.9	159.9	159.9	159.9	159.9	0.0	0.0	0.0	
2219	Other rubber products e.g balloons, pipes and transmission belts	2	59.5	60.2	60.2	60.2	60.2	60.2	60.2	65.5	65.5	65.5	65.5	65.1	0.0	0.0	-0.6	
2220	Plastic products	50	105.4	105.4	105.2	105.2	105.9	105.9	105.9	105.9	106.6	107.3	106.7	106.4	0.6	-0.5	-0.3	

<sup>&</sup>lt;sup>1</sup> Figures for April to June 2014 have been revised.

Table 2(a) - Quarterly & yearly indices by industry group, 2012 - 2014<sup>1</sup> - Manufacturing Sector.

-												1 cai	2007 = 100
		ht		2012				2013				2014	
NSIC	Industry group	Weight	3 <sup>rd</sup> Qr.	4 <sup>th</sup> Qr.	Year Average	1 <sup>st</sup> Qr.	2 <sup>nd</sup> Qr.	3 <sup>rd</sup> Qr.	4 <sup>th</sup> Qr.	Year Average	1 <sup>st</sup> Qr.	2 <sup>nd</sup> Qr.	3 <sup>rd</sup> Qr.
10/11	Food products and beverages	608	130.0	132.7	129.7	136.3	138.3	138.0	137.8	137.6	136.4	136.2	136.5
13	Textiles	4	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2	145.2
14	Wearing apparel	16	165.5	169.9	160.0	173.3	177.2	179.1	179.9	177.4	184.1	187.1	188.4
15	Leather and related products	2	170.7	170.7	170.7	172.3	175.3	176.2	178.4	175.5	178.4	178.4	178.4
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	15	120.2	120.2	120.0	120.2	120.3	121.5	123.8	121.5	123.9	123.9	123.8
18	Printing and reproduction of recorded media	56	136.5	137.6	136.9	137.6	137.4	136.6	138.8	137.6	137.4	138.9	138.3
20	Chemicals and chemical products	107	133.4	139.5	134.6	140.0	141.0	141.6	142.9	141.4	143.3	144.3	144.7
22	Rubber and plastic products	59	110.1	109.7	110.2	109.4	110.4	110.7	110.7	110.3	111.0	111.5	112.1
23	Other non-metallic mineral products	3	91.2	91.2	91.2	91.2	91.2	91.2	91.2	91.2	91.2	91.2	92.3
24	Basic metals	35	106.3	109.1	107.1	109.0	108.8	108.7	108.7	108.8	107.0	106.0	104.2
25	Fabricated metal products	38	102.8	102.2	103.2	102.2	102.2	105.8	103.9	103.6	106.2	108.5	108.5
27	Electrical equipment	12	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7
28	Machinery and equipment, n.e.c	12	118.5	118.5	118.5	123.6	123.6	123.6	123.6	123.6	123.6	123.6	123.6
29	Motor vehicles, trailers and semi- trailers	3	152.3	152.3	151.3	153.0	150.8	151.6	151.6	151.8	151.6	150.8	151.2
30	Other transport equipment	4	79.8	80.8	80.2	81.1	81.3	81.8	81.9	81.6	82.0	84.3	88.3
31	Furniture	20	125.3	131.4	125.1	131.4	131.4	131.2	131.0	131.3	131.0	130.9	131.6
32	Other products	6	232.5	241.3	231.3	242.6	219.4	213.8	202.0	219.4	198.9	203.7	203.7
10-33	Total manufacturing	1,000	127.9	130.6	127.9	133.0	134.3	134.3	134.3	134.0	133.5	133.8	134.0

<sup>&</sup>lt;sup>1</sup> Figures for 2<sup>nd</sup> Quarter 2014 have been revised.

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Table 2(b) - Quarterly & yearly indices by industry group, 2012 - 2014 - Manufacture of Food Products & Beverages.

		<u> </u>		2012				2013				2014	2007 = 100
NSIC	Industry group	Weight	3 <sup>rd</sup> Qr.	4 <sup>th</sup> Qr.	Year Average	1 <sup>st</sup> Qr.	2 <sup>nd</sup> Qr.	3 <sup>rd</sup> Qr.	4 <sup>th</sup> Qr.	Year Average	1 <sup>st</sup> Qr.	2 <sup>nd</sup> Qr.	3 <sup>rd</sup> Qr.
101-108	Food products	442	125.1	127.1	124.7	129.5	131.4	130.9	129.0	130.2	126.0	125.8	125.9
1010	Processing and preserving of meat	143	112.5	114.3	111.6	111.3	112.2	112.2	112.3	112.0	112.3	112.4	111.5
1020	Processing and preserving of fish, crustaceans & molluscs	9	167.0	163.7	163.2	167.0	167.0	167.0	167.9	167.2	169.7	169.7	169.7
1030	Processing and preserving of fruits and vegetables	14	121.8	123.2	121.4	125.2	129.7	131.7	132.0	129.6	136.8	137.0	137.3
1040	Vegetable and animal oils and fats	44	144.3	143.3	143.9	141.0	140.4	137.3	132.2	137.7	131.8	131.8	131.8
1050	Dairy products	22	121.9	122.6	122.1	124.0	124.0	124.7	126.8	124.9	127.2	130.8	130.8
1061	Grain mill products	75	112.2	112.5	111.5	126.9	135.4	135.1	130.7	132.0	115.7	115.0	116.6
1071	Bakery products	35	121.0	121.0	118.4	121.7	121.7	122.4	123.2	122.3	124.7	124.8	124.8
10711/ 10712	Bread/Pastries and cakes	26	125.1	125.1	121.7	125.1	125.1	125.9	127.0	125.8	128.3	128.4	128.4
10713/ 10730	Biscuits, other dry bakery products, cocoa, chocolate and sugar confectionery	9	109.2	109.2	109.2	112.2	112.2	112.3	112.3	112.3	114.6	114.6	114.6
1074	Macaroni, noodles, couscous and similar farinaceous products	12	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4	132.4
1079	Other food products n.e.c	15	129.1	128.6	128.7	127.2	128.2	131.6	131.6	129.7	132.1	132.2	135.6
10791	Tea	9	129.4	128.2	128.6	125.3	127.0	132.5	132.5	129.3	133.4	133.5	139.3
10793/ 10799	Spices, sauces, condiments and other food products n.e.c	6	128.7	129.1	128.8	130.0	130.0	130.4	130.4	130.2	130.4	130.4	130.4
1080	Animal feed	73	147.6	157.0	150.0	162.9	162.9	160.4	155.4	160.4	150.8	148.5	148.5
110	Beverages	166	143.0	147.6	143.2	154.4	156.8	156.9	161.2	157.3	163.9	164.2	164.8
1101	Distilled potable alcoholic beverages	42	156.4	162.3	156.6	165.3	165.3	165.3	174.1	167.5	178.6	178.6	178.6
1102	Wines	11	173.5	174.7	173.8	175.4	175.4	176.2	177.5	176.1	178.2	182.9	192.1
1103	Malt liquors and malt including non alcoholic beer	87	130.7	136.4	131.2	147.4	151.5	151.5	154.9	151.4	157.0	157.0	157.0
1104	Soft drinks, mineral waters and other bottled waters	26	150.2	150.2	149.1	151.1	153.0	153.0	154.3	152.9	156.9	156.9	156.9
10-11	Total food products & beverages	608	130.0	132.7	129.7	136.3	138.3	138.0	137.8	137.6	136.4	136.2	136.5

<sup>&</sup>lt;sup>1</sup> Figures for 2<sup>nd</sup> Quarter 2014 have been revised.

 $Table\ 2(c)\ -\ Quarterly\ \&\ yearly\ indices\ by\ industry\ group,\ 2012\ -\ 2014\ ^1\ -\ Manufacture\ of\ Chemicals\ and\ Chemical\ Products\ \&\ Rubber\ and\ Plastic\ Products.$ 

		ī											2007 = 100	1
NSIC	To departure account	Weight		2012				2013				2014		
NSIC	Industry group	Wei	3 <sup>rd</sup> Qr.	4 <sup>th</sup> Qr.	Year Average	1 <sup>st</sup> Qr.	2 <sup>nd</sup> Qr.	3 <sup>rd</sup> Qr.	4 <sup>th</sup> Qr.	Year Average	1 <sup>st</sup> Qr.	2 <sup>nd</sup> Qr.	3 <sup>rd</sup> Qr.	
20	Chemicals and chemical products	107	133.4	139.5	134.6	140.0	141.0	141.6	142.9	141.4	143.3	144.3	144.7	
2011	Basic chemicals	22	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	138.1	
2022	Paints, varnishes and similar coatings, printing ink and mastics	40	122.9	130.8	124.9	130.8	130.8	130.8	134.0	131.6	134.8	134.8	134.8	
2023	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	45	140.6	148.0	141.7	149.1	151.7	152.9	153.3	151.8	153.6	156.0	156.9	10 -
22	Rubber and plastic products	59	110.1	109.7	110.2	109.4	110.4	110.7	110.7	110.3	111.0	111.5	112.1	
2211	Rubber tyres and tubes, retreading and rebuilding of rubber tyres	7	152.3	152.3	150.5	154.8	159.9	159.9	159.9	158.6	159.9	159.9	159.9	
2219	Other rubber products e.g balloons, pipes and transmission belts	2	67.9	69.3	68.5	70.4	66.1	59.5	60.0	64.0	60.2	63.7	65.3	
2220	Plastic products	50	105.4	105.0	105.9	104.1	104.8	105.4	105.3	104.9	105.7	106.2	106.8	

<sup>&</sup>lt;sup>1</sup> Figures for 2<sup>nd</sup> Quarter 2014 have been revised.

 $Table \ 3(a) \ - \ Quarterly \ percentage \ change \ by \ industry \ group, \ 2012 \ - \ 2014^1 \ - \ Manufacturing \ Sector.$ 

NSIC						Percentage of	change from			
NSIC	Industry group	Weight	3 <sup>rd</sup> Qr 13 to 4 <sup>th</sup> Qr 13	4 <sup>th</sup> Qr 13 to 1 <sup>st</sup> Qr 14	1 <sup>st</sup> Qr 14 to 2 <sup>nd</sup> Qr 14	2 <sup>nd</sup> Qr 14 to 3 <sup>rd</sup> Qr 14	4 <sup>th</sup> Qr 12 to 4 <sup>th</sup> Qr 13	1 <sup>st</sup> Qr 13 to 1 <sup>st</sup> Qr 14	2 <sup>nd</sup> Qr 13 to 2 <sup>nd</sup> Qr 14	3 <sup>rd</sup> Qr 13 to 3 <sup>rd</sup> Qr 14
10/11	Food products and beverages	608	-0.1	-1.1	-0.1	0.2	3.9	0.0	-1.5	-1.1
13	Textiles	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14	Wearing apparel	16	0.4	2.3	1.7	0.7	5.9	6.2	5.6	5.2
15	Leather and related products	2	1.3	0.0	0.0	0.0	4.5	3.6	1.7	1.3
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	15	1.9	0.1	0.0	-0.1	3.0	3.0	3.0	1.9
18	Printing and reproduction of recorded media	56	1.6	-1.1	1.1	-0.4	0.9	-0.2	1.1	1.3
20	Chemicals and chemical products	107	1.0	0.3	0.7	0.3	2.5	2.4	2.3	2.2
22	Rubber and plastic products	59	0.0	0.3	0.4	0.5	0.9	1.5	1.0	1.2
23	Other non-metallic mineral products	3	0.0	0.0	0.0	1.2	0.0	0.0	0.0	1.2
24	Basic metals	35	0.0	-1.6	-0.9	-1.7	-0.3	-1.9	-2.6	-4.2
25	Fabricated metal products	38	-1.8	2.2	2.1	0.1	1.7	3.9	6.1	2.5
27	Electrical equipment	12	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
28	Machinery and equipment, n.e.c	12	0.0	0.0	0.0	0.0	4.4	0.0	0.0	0.0
29	Motor vehicles, trailers and semi-trailers	3	0.0	0.0	-0.6	0.3	-0.5	-0.9	0.0	-0.3
30	Other transport equipment	4	0.1	0.1	2.8	4.9	1.4	1.0	3.6	7.9
31	Furniture	20	-0.1	-0.1	-0.1	0.5	-0.3	-0.3	-0.4	0.3
32	Other products	6	-5.5	-1.5	2.4	0.0	-16.3	-18.0	-7.1	-4.7
10-33	Total manufacturing	1,000	0.1	-0.6	0.2	0.1	2.8	0.4	-0.4	-0.2

<sup>&</sup>lt;sup>1</sup> Figures for 2<sup>nd</sup> Quarter 2014 have been revised.

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Table 3(b) - Quarterly percentage change by industry group, 2012 - 2014<sup>1</sup> - Manufacture of Food Products & Beverages.

						Percentage (	change from			
NSIC	Industry group	Weight	3 <sup>rd</sup> Qr 13 to 4 <sup>th</sup> Qr 13	4 <sup>th</sup> Qr 13 to 1 <sup>st</sup> Qr 14	1 <sup>st</sup> Qr 14 to 2 <sup>nd</sup> Qr 14	2 <sup>nd</sup> Qr 14 to 3 <sup>rd</sup> Qr 14	4 <sup>th</sup> Qr 12 to 4 <sup>th</sup> Qr 13	1 <sup>st</sup> Qr 13 to 1 <sup>st</sup> Qr 14	2 <sup>nd</sup> Qr 13 to 2 <sup>nd</sup> Qr 14	3 <sup>rd</sup> Qr 13 to 3 <sup>rd</sup> Qr 14
101-108	Food products	442	-1.4	-2.3	-0.2	0.1	1.5	-2.7	-4.3	-3.8
1010	Processing and preserving of meat	143	0.0	0.0	0.1	-0.8	-1.7	0.9	0.1	-0.7
1020	Processing and preserving of fish, crustaceans & molluscs	9	0.5	1.1	0.0	0.0	2.6	1.6	1.6	1.6
1030	Processing and preserving of fruits and vegetables	14	0.2	3.7	0.1	0.2	7.1	9.3	5.6	4.3
1040	Vegetable and animal oils and fats	44	-3.8	-0.3	0.0	0.0	-7.8	-6.5	-6.1	-4.0
1050	Dairy products	22	1.7	0.4	2.9	0.0	3.4	2.6	5.5	5.0
1061	Grain mill products	75	-3.2	-11.5	-0.6	1.5	16.2	-8.8	-15.1	-13.7
1071	Bakery products	35	0.7	1.2	0.1	0.0	1.8	2.5	2.5	2.0
10711/ 10712	Bread/Pastries and cakes	26	0.9	1.0	0.1	0.0	1.5	2.5	2.6	1.9
10713/ 10730	Biscuits, other dry bakery products, cocoa, chocolate and sugar confectionery	9	0.1	2.0	0.0	0.0	2.9	2.1	2.1	2.1
1074	Macaroni, noodles, couscous and similar farinaceous products	12	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1079	Other food products n.e.c	15	0.0	0.4	0.1	2.5	2.4	3.9	3.1	3.0
10791	Теа	9	0.0	0.7	0.1	4.3	3.4	6.5	5.2	5.1
10793/ 10799	Spices, sauces, condiments and other food products n.e.c	6	0.0	0.0	0.0	0.0	1.0	0.3	0.3	0.0
1080	Animal feed	73	-3.1	-3.0	-1.5	0.0	-1.0	-7.4	-8.9	-7.5
110	Beverages	166	2.8	1.7	0.2	0.4	9.2	6.1	4.7	5.0
1101	Distilled potable alcoholic beverages	42	5.4	2.5	0.0	0.0	7.3	8.0	8.0	8.0
1102	Wines	11	0.8	0.4	2.6	5.1	1.6	1.6	4.3	9.0
1103	Malt liquors and malt including non alcoholic beer	87	2.2	1.3	0.0	0.0	13.6	6.5	3.6	3.6
1104	Soft drinks, mineral waters and other bottled waters	26	0.8	1.7	0.0	0.0	2.7	3.8	2.5	2.5
10-11	Total food products & beverages	608	-0.1	-1.1	-0.1	0.2	3.9	0.0	-1.5	-1.1

<sup>&</sup>lt;sup>1</sup> Figures for 2<sup>nd</sup> Quarter 2014 have been revised.

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Table 3(c) - Quarterly percentage change by industry group, 2012 -  $2014^1$  - Manufacture of Chemicals and Chemical Products & Rubber and Plastic Products.

						Percentage	change from			
NSIC	Industry group	Weight	3 <sup>rd</sup> Qr 13 to 4 <sup>th</sup> Qr 13	4 <sup>th</sup> Qr 13 to 1 <sup>st</sup> Qr 14	1 <sup>st</sup> Qr 14 to 2 <sup>nd</sup> Qr 14	2 <sup>nd</sup> Qr 14 to 3 <sup>rd</sup> Qr 14	4 <sup>th</sup> Qr 12 to 4 <sup>th</sup> Qr 13	1 <sup>st</sup> Qr 13 to 1 <sup>st</sup> Qr 14	2 <sup>nd</sup> Qr 13 to 2 <sup>nd</sup> Qr 14	3 <sup>rd</sup> Qr 13 to 3 <sup>rd</sup> Qr 14
20	Chemicals and chemical products	107	1.0	0.3	0.7	0.3	2.5	2.4	2.3	2.2
2011	Basic chemicals	22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2022	Paints, varnishes and similar coatings, printing ink and mastics	40	2.4	0.6	0.0	0.0	2.4	3.1	3.1	3.1
2023	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	45	0.2	0.2	1.5	0.6	3.6	3.0	2.8	2.6
22	Rubber and plastic products	59	0.0	0.3	0.4	0.5	0.9	1.5	1.0	1.2
2211	Rubber tyres and tubes, retreading and rebuilding of rubber tyres	7	0.0	0.0	0.0	0.0	5.0	3.3	0.0	0.0
2219	Other rubber products e.g balloons, pipes and transmission belts	2	0.7	0.4	5.8	2.5	-13.4	-14.4	-3.6	9.7
2220	Plastic products	50	0.0	0.3	0.4	0.6	0.3	1.5	1.3	1.4

<sup>&</sup>lt;sup>1</sup> Figures for 2<sup>nd</sup> Quarter 2014 have been revised.

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Table 4(a) - Comparative monthly and quarterly indices, January 2007 to September 2014<sup>1</sup>- Manufacturing Sector.

(Base: Year 2007 = 100)

							(Dube: 1	tear 2007 = 100
Month	2007	2008	2009	2010	2011	2012	2013	2014
January	92.9	110.7	114.8	111.4	119.3	126.7	131.1	133.9
February	94.2	111.6	111.6	111.6	123.1	126.3	133.8	133.3
March	94.7	112.5	111.8	111.7	122.7	125.8	134.1	133.4
Average 1 st Quarter	94.0	111.6	112.7	111.6	121.7	126.3	133.0	133.5
April	98.6	113.4	110.7	112.6	122.5	126.5	134.3	133.6
May	98.6	113.7	109.9	113.7	122.8	126.7	134.4	133.7
June	101.7	113.4	109.6	114.3	123.7	127.1	134.3	134.1
Average 2 nd Quarter	99.6	113.5	110.1	113.5	123.0	126.7	134.3	133.8
July	101.2	114.1	110.2	114.3	124.0	127.8	134.6	134.0
August	101.2	116.1	110.3	114.3	124.4	128.0	134.6	134.0
September	103.0	117.8	110.1	114.2	124.5	128.0	133.7	134.0
Average 3 rd Quarter	101.8	116.0	110.2	114.3	124.3	127.9	134.3	134.0
October	103.7	118.9	110.7	114.4	126.1	129.8	133.7	
November	104.6	119.0	110.8	116.0	126.8	131.0	134.9	
December	105.0	118.7	110.8	116.7	127.1	131.0	134.4	
Average 4 <sup>th</sup> Quarter	104.5	118.9	110.8	115.7	126.7	130.6	134.3	
Yearly average	100.0	115.0	110.9	113.8	123.9	127.9	134.0	
Annual change (%)		15.0	-3.5	2.5	8.9	3.2	4.8	

<sup>&</sup>lt;sup>1</sup> Figures for April to June 2014 have been revised.

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Table 4(b) - Comparative monthly and quarterly sub - indices, January 2007 to September 2014 1- Food Products and Beverages.

(Base: Year 2007 = 100)

							(	ear 2007 – 100)
Month	2007	2008	2009	2010	2011	2012	2013	2014
January	91.6	114.4	118.7	112.2	117.6	128.7	133.1	137.1
February	93.2	115.6	113.7	112.4	123.9	127.2	137.7	136.0
March	93.8	117.1	113.9	112.7	122.7	127.2	138.1	135.9
Average 1 <sup>st</sup> Quarter	92.9	115.7	115.4	112.4	121.4	127.7	136.3	136.4
April	99.6	118.3	113.9	112.8	123.1	128.1	138.3	136.1
May	99.7	118.6	112.5	113.5	123.0	128.4	138.4	136.2
June	102.8	118.3	112.0	113.8	123.2	129.1	138.3	136.4
Average 2 <sup>nd</sup> Quarter	100.7	118.4	112.8	113.4	123.1	128.5	138.3	136.2
July	101.1	118.3	112.7	113.8	123.6	129.9	138.5	136.2
August	100.9	120.3	112.6	114.0	124.0	130.1	138.5	136.5
September	103.3	122.2	112.3	113.9	124.6	129.9	137.0	136.8
Average 3 <sup>rd</sup> Quarter	101.8	120.3	112.5	113.9	124.1	130.0	138.0	136.5
October	103.1	123.9	112.1	113.6	127.2	131.4	136.8	
November	105.2	124.8	111.8	115.8	127.9	133.4	138.6	
December	105.3	124.7	111.7	116.9	128.4	133.2	138.0	
Average 4 <sup>th</sup> Quarter	104.5	124.4	111.9	115.4	127.8	132.7	137.8	
Yearly average	100.0	119.7	113.2	113.8	124.1	129.7	137.6	
Annual change (%)		19.7	-5.5	0.6	9.1	4.5	6.1	

<sup>&</sup>lt;sup>1</sup> Figures for April to June 2014 have been revised.

## **TECHNICAL NOTES**

# **Producer Price Index – Manufacturing (PPI-M)**

#### 1. Definition

The Producer Price Index (PPI-M) measure changes in the effective prices received by manufacturers for that part of their output which is sold on the domestic market. The index covers manufacturing establishments which supply their products on the domestic market.

It normally refers to a family of indices which includes:

- (a) Industry output prices indices;
- (b) Detailed commodity price indices; and
- (c) Stage-of-processing prices indices.

The concepts and definitions of the PPIs largely follow the guidelines provided in the IMF manual entitled "Producer Price Index Manual Theory and Practice".

## 2. Scope

The PPI-M covers all large manufacturing establishments (that is those employing 10 or more persons) falling within divisions 10 to 33 of the National Standard Industrial Classification Revision 2 (NSIC 2), whose output is mainly sold on the domestic market. The index therefore excludes Export Oriented Enterprises (EOE).

The following divisions have been excluded for reasons given below:

- (a) Division 12: Manufacture of tobacco products (no longer manufactured in Mauritius)
- (b) Division 19: Manufacture of coke, refined petroleum products (not produced in Mauritius)
- (c) Division 21: Manufacture of basic pharmaceutical products and pharmaceutical preparations(weight in the overall index is not significant and change of products is too dynamic)
- (d) Division 26: Manufacture of computers, electronic and optical products (weight in the overall index is not significant and change of products is too dynamic)

Considering the above adjustments, the activities covered by the index represent around 89% of the gross output generated by enterprises in the Non-EOE manufacturing in 2007.

## 3. Reference Year

PPI-M has 2007 as reference period and is based on 2007 weights.

#### 4. Frame

A list of some 419 establishments, engaging 10 persons or more, falling within the scope of the PPI-M was obtained from the 2007 CEA and classified at 5-digit NSIC Rev.2. Data on Gross output for each establishment was also available.

# 5. Selection of establishments (producers)

A sample of 103 establishments was drawn from the list. These establishments are the most important ones in terms of Gross Output (GO) in their respective 5-digit NSIC activity group. Establishments selected in each activity group contribute together at least 60% of GO in that group.

Using the scheme above the overall sample contributes around 63% of the GO of the sector.

#### 6. Selection of products to be priced

From each selected establishment the product(s) selected for pricing are those which are the most important ones in terms of contribution to the turnover of the establishment.

## 7. Price collection

Prices collected refer to the prices received by producers for the sale of their products on the local market. The prices exclude all taxes on products, namely excise duty and value added tax.

Prices of products are collected from the sample of products mentioned in Para. 6. Producers are contacted on field on a quarterly basis and prices of the selected products are collected for each month of the reference quarter. For example, if reference quarter is 3<sup>rd</sup> Quarter, producers are contacted during the month of October and November and prices are collected for the months of July, August and September.

Altogether some 281 prices are collected every quarter.

## 8. Updating of weights

## 8.1 Historical background

Statistics Mauritius first published a Producers Price Index limited to the "Manufacturing of food products, beverages and tobacco" in March 1994 with 1993 as reference period (1993 = 100). The coverage of the index was extended in June 2002 to cover all relevant industry groups of the former Non-EPZ manufacturing sector. At the same time, in order to reflect changes in the production pattern, the basket of goods used to compile the index was updated based on data available from the 1997 Census of Economic Activities conducted by this office. The base year was subsequently revised to 1998 (1998 = 100). The revision was repeated in 2006 when the base period was revised to 2003 (2003 = 100).

The current basket of goods has been updated based on the results of the 2007 Census of Economic Activities and the index is computed with year 2007 as base period (2007=100).

#### 9. Index Calculation

The PPI-M is computed according to the Laspeyres Formula.

The formula used is given below

$$I_{c} = \frac{\sum W_{i}*(\frac{P_{ci}}{P_{oi}})}{\sum W_{i}}*100$$

Where Ic = Index for current month

Wi = Weight associated with product i

Pci = Price of product i for the current month

Poi = Price for product i for the base period (2007)

The PPI-M is calculated at the 5-digits level of NSIC Rev.2 by the above formulae. The lowest level indices are determined as a geometric average of the price relatives of the basic observations. Indices at the Division level (2-digits NSIC) are then derived as a weighted average of the indices of the products falling within each division. Finally, the overall index is obtained as a weighted arithmetic average of the Division indices.

#### **10.** Uses

- (a) The PPI is a leading indicator of the future status of inflation. Movement of PPI is usually indicative of a similar change of part of the CPI. PPI can also be used in the economic analysis of inflation transmission process.
- (b) It provides specific price deflators for the computation of national accounts at constant prices in order to measure real growth
- (c) It is helpful in the formulation of contract agreement. It can be used as an escalation clause to protect buyers and sellers against inflation or deflation.
- (d) PPI is also used in econometric models, in forecasting and in inventory accounting.

## 11. Missing Prices

In the case of temporarily missing prices for products, the change in the prices will be assumed to be following the same trend as the average price in the 5-digits NSIC group or that at higher level.

# 12. Treatment of Product Permanently Disappeared

Products may disappear permanently for various reasons. The product may disappear from the market because new products have been introduced or the establishments from which the price has been collected have stopped selling the product. When a product disappears permanently, a replacement product of a similar nature will be included in the index.

## 13. Treatment of Quality Change

The index is a measure of only "PURE" price changes and should as far as possible measure the price changes of the same products. Hence, the products must not be affected by quality change. If the change is due to quality, an estimate of the proportion of the change attributed to the quality element is given and adjustment is done accordingly. Appropriate adjustments for quality changes are made by consulting the manufacturing unit.

# 14. Reliability of the PPI-M

The statistical accuracy of PPI depends heavily on the quality of information provided by respondents. This office places great emphasis on the need for reporting effective selling prices, i.e. the amount realized by a producer when selling its products on the market inclusive of all discounts and other price deductions rather than the list or catalogue prices.

On the field a system of sample checks is already in place for detecting systematic errors in the collection process. The results are analyzed right on field by analyzing the monthly changes and comparing also the prices those collected at the same month of previous year. Outliers are discussed with the producers to ensure that they are genuine.

At office level, comparisons are made with the CPI and with the import/export price indices. Systematic analyzes of the source data are made in the context of weight and base year revisions that occur every five years.